

105TH CONGRESS
1ST SESSION

S. RES. 74

To commend the budget deficit reduction and tax relief for working families that has occurred under the Clinton Administration and to urge the Republican Congressional majority to take up without delay a budget resolution, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 15, 1997

Mr. DORGAN (for Mr. DASCHLE) submitted the following resolution; which was referred jointly pursuant to the order of August 4, 1977, as modified by the order of April 11, 1986, to the Committees on the Budget and Government Affairs, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

RESOLUTION

To commend the budget deficit reduction and tax relief for working families that has occurred under the Clinton Administration and to urge the Republican Congressional majority to take up without delay a budget resolution, and for other purposes.

Whereas the United States economy continues to expand at a brisk pace after 6 consecutive years of economic growth;

Whereas unemployment and inflation continue to remain at the lowest combined rate in 30 years;

Whereas median family income is experiencing its fastest growth since the 1960s;

Whereas taxes as a percentage of gross domestic product are lower in the United States, at 31.7 percent, than in any of the Group of Seven industrialized countries, the average for which is 36.5 percent;

Whereas according to the Congressional Budget Office, Federal taxes as a share of national income were 19.4 percent, the same level as in 1969, and are projected to fall to 18.8 percent in 2002, not including any tax cuts which Congress may yet enact this year;

Whereas according to the Congressional Budget Office, the total Federal effective tax rate, including income, payroll, and excise taxes, for a family making \$40,000 per year averages 19 percent, of which only 6 percent is attributable to individual income taxes, the lowest of any of the major industrialized countries;

Whereas the Center on Budget and Policy Priorities has calculated that the typical American generates the income necessary to pay his or her annual Federal personal income tax by January 20th of each year;

Whereas strong economic growth, low inflation and unemployment, and declining tax burdens on typical American families have been achieved at the same time that the Federal budget deficit has been reduced by nearly two-thirds;

Whereas every Republican Senator voted against the Omnibus Budget Reconciliation Act of 1993, which cut the deficit by 63 percent, lowered interest rates, stimulated job creation, and boosted gains in personal income;

Whereas the 1993 budget legislation cut taxes on 15,000,000 workers and their families (40,000,000 Americans) and made 90 percent of small businesses eligible for corporate tax reductions;

Whereas President Clinton has submitted to Congress a budget proposal that would further reduce taxes on working families, including tax credits and deductions designed to make post-secondary education and training more affordable;

Whereas the Congressional Budget Office has certified that the President's budget proposal would eliminate the fiscal deficit by 2002, achieving the first budgetary surplus in the United States since 1969;

Whereas the principal budget legislation offered in the 105th Congress by the Republican majority would make it more difficult to balance the budget by extending \$526,000,000,000 of tax cuts over the next 10 years, more than an estimated three-quarters of which would benefit the best-off 20 percent of taxpayers rather than middle class working families;

Whereas as many Americans rush to submit their income tax returns to the Internal Revenue Service by April 15, Congress is poised to miss its own April 15 deadline to pass a budget resolution because the Republican majority in the 105th Congress has emphasized symbolic political gestures in connection with the Federal budget rather than the bipartisan construction of legislation to eliminate the deficit; and

Whereas the continuing failure by the Republican majority to advance a budget resolution has the effect of withholding from middle class Americans the tax cuts proposed for

them by the President, undermining progress toward a balanced budget, and denying the economy the benefit of the lower long-term interest rates that a balanced budget would promote: Now, therefore, be it

- 1 *Resolved*, That it is the sense of the Senate that the
- 2 Republican majority should take up without delay a budg-
- 3 et resolution that balances the budget by 2002, targets
- 4 its tax relief on working and middle class families to the
- 5 same degree as the President's budget proposal, and pro-
- 6 tects important domestic priorities such as medicare, med-
- 7 icaid, education, and the environment.

